

STATE OF INDIANA
Board for Proprietary Education

Minutes of Meeting

Wednesday, June 1, 2016

I. CALL TO ORDER

The Board for Proprietary Education met in regular session starting at 9:30 a.m. at 101 West Ohio Street, Suite 300, Kent Weldon Board Room, with Chairman Sauer presiding.

ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM

Members Present: Rod Haywood, Jr., Ken Konesco, Eric Ogle, Joe Pearson, and Ken Sauer.

Members Absent: Maia Siprashvili-Lee.

Guests Present: Connie Adelman, Kristen Akers, Chris Artim, Jerry Ausburn, Jeff Biltz, Tom Brouwer, John Carreon, Rachel Durrance, Stephie Guphill, Angela Hughes, Bruce Kepley, Shawntel Landry, Tes Lukomski, Steve McClearn, Jennifer Newham, Eustace Rawlings, Glenna Shelby, Bree Stansberry, Karen Swenson, Steve Wettergreen, and Paul Wolfe

It was determined that there was a quorum for the June 1, 2016 Board meeting.

CONSIDERATION OF THE MINUTES OF THE March 8, 2016 BOARD MEETING

R-16-02.1 Resolved: That the Board for Proprietary Education hereby approve the Minutes of the March 8, 2016 regular meeting
(Motion – Konesco, second – Pearson, unanimously approved)

II. EXECUTIVE DIRECTOR'S REPORT

Dr. Sauer began by stating that there were a number of information items that would be discussed at the end of the agenda. With the information items being at the end of the agenda, the Board would move directly to the business items.

III. TIME – SENSITIVE ACTION ITEMS

A. Academic Degree Programs

1. Master of Science in Educational Business Administration to be offered by American College of Education

Representing American College of Education was: Dr. Ausburn, Assistant Dean, Dr. Landry, Provost and Interim President, and Ms. Swenson, and Senior Vice President of Regulatory Affairs and Compliance.

Mr. Miller presented the staff report recommending that American College of Education be granted approval to offer one Master's degree program via distance education.

R-16-02.2 RESOLVED: That the Board for Proprietary Education approves by

consent the following recommendation, in accordance with the background information provided in this agenda item.
(Motion – Ogle, second – Konesco, unanimously approved)

2. Associate of Applied Science in Surgical Technology and Central Sterile Processing to be offered by American National University at Indianapolis

Representing American National University was: Mr. Theodore Lukomski, Campus Director at Indianapolis, and Paul Wolfe, Regional Vice President.

Mr. Miller presented the staff report recommending that American National University be granted approval to offer one Associate's degree program at one location.

R-16-02.3 Resolved: That the Board for Proprietary Education approves by consent the following recommendation, in accordance with the background information provided in this agenda item.
(Motion – Konesco, second – Pearson, unanimously approved)

3. Associate of Science in Accounting Specialist, Business Administration, Healthcare Reimbursement, Human Resource Management, and Medical Office Administration to be offered by Brightwood College at Hammond

Representing Brightwood College was: Mr. Chris Artim, Executive Director at Hammond Campus, Mr. John Carreon, Senior Vice President of Regulatory Affairs and Associate General Counsel, and Rebecca DeVos, Academic Dean, Steve McClearn, Vice President of Online Strategy and Development, and Steve Wettergreen, Vice President of Instructional Design.

Mr. Miller presented the staff report recommending that Brightwood College be granted approval to offer five Associate's degree programs at one location.

R-16-02.4 Resolved: That the Board for Proprietary Education approves by consent the following recommendation, in accordance with the background information provided in this agenda item.
(Motion – Haywood, second – Konesco, unanimously approved)

4. Associate of Science in Business and Project Management to be offered by Brown Mackie College at Fort Wayne, Indianapolis, and South Bend

This degree program proposal was voluntarily withdrawn by the institution.

5. Associate of Science in Engineering Fundamentals, Bachelor of Science in Communication, Engineering Technology, Interdisciplinary Studies, Logistics and Supply Chain Management, Safety Management, and Unmanned Systems Application to be offered by Embry-Riddle Aeronautical University at Indianapolis

Representing Embry-Riddle Aeronautical University was: Ms. Rachel Durrance, Assistant Director of State Authorizations, and Ms. Brienne Stansberry, Associate Director and Department Head of State authorization.

Mr. Miller presented the staff report recommending that Embry-Riddle Aeronautical

University one Associate's degree program and six Bachelor's degree programs at one location.

R-16-02.5 **Resolved:** That the Board for Proprietary Education approves by consent the following recommendation, in accordance with the background information provided in this agenda item.
(Motion – Ogle, second – Haywood, unanimously approved)

IV. INFORMATION ITEM

Dr. Sauer began by introducing the topic of Accrediting Council for Independent Colleges and Schools (ACICS) by reviewing the work of the Planning Committee at its last meeting. The Planning Committee discussed the 13 Attorneys General letter to the National Advisory Committee on Institutional Quality and Integrity (NACIQI) opposing renewal of recognition of ACICS by the United State Department of Education (USDOE). Secondly, the Planning Committee discussed the ACICS Show-Cause Directive letter to ITT Educational Services, Inc. Dr. Sauer explained that the ACICS Financial Show-Cause Directive letter to the Education Management Corporation had not been issued at the time that the Planning Committee met.

Dr. Sauer stated that he, Commissioner Lubbers and Mr. Miller had a meeting with ITT Educational Services, Inc. executive staff, and that he and Mr. Miller also had a meeting with Education Management Corporation to discuss the ACICS letters to those respective institutions. Dr. Sauer emphasized that the information presented today was strictly information, but that the Planning Committee could meet again to discuss these items or have them brought before the full Board. Dr. Sauer expected that as further information became available that the Board would have a chance for a larger discussion. Mr. Ogle expressed his concern for the role of the Board in protecting students. Mr. Konesco stated that in the case of ITT Educational Services, ACICS had requested a teach-out plan. Mr. Miller stated that one of the first concerns of the Board would be to secure the student records should the teach-out plan be implemented.

Dr. Sauer turned to Mr. Miller for an outline of the information items. Mr. Miller began by stating that the National Advisory Committee on Institutional Quality and Integrity (NACIQI) has a rotation of reviewing recognized accreditors, and that ACICS is one such accreditor currently under review. NACIQI advises the Secretary of Education in the final determination of renewal of USDOE recognition. ACICS was scheduled for review of recognition during the June 22nd through 24th, 2016 NACIQI meeting.

Dr. Sauer stated that he and Mr. Miller had spoken to the ACICS leadership and that it was very clear that the process of review had a timeline that would take time before conclusion. Further, state agencies and accreditors would need to work more closely in support of the oversight triad of institutions.

Mr. Miller stated that the Board authorized 11 institutions with 34 campuses in Indiana that had ACICS accreditation. Mr. Konesco asked the ITT Educational Services staff present at the meeting if the institution is expected to meet the June 15, 2016 deadline for submission of documents. Mr. Brouwer replied that he was confident in their ability to meet the requirements of document submission.

Mr. Miller stated that the ACICS Financial Show-Cause Directive to Education Management Corporation was narrowly focused and stemmed from the financials of one location in York,

Pennsylvania. With no further questions or comments Dr. Sauer adjourned the meeting.

OLD BUSINESS

NEW BUSINESS

There was none.

V. ADJOURNMENT

The meeting was adjourned at 11:50 A.M.

Dr. Ken Sauer, Chairman

Date